Title: **Revenue Strategies**

Session: **W-2-0800**

Objectives

- Help You Realize Your Reimbursement Potential
- Give You a Tool to Assess Your Program

- Key Performance Indicators – Metrics
  - Are They Accurate? Why or Why Not
  - How Can KPIs Help You Improve
- Assessing Your Program
  - Historical Reality
    - The Data Is What the Data Is
  - Market Share
    - Enrolled vs. User Population
  - Strengths and Weaknesses
    - Perceived and Actual
  - Variables
    - Which ones can you control?
  - Process Improvement Opportunities

Key Performance Indicators – METRICS

- Reporting Levels
  - TMA Level Metrics
    - DD 2570 Quarterly Requirement
    - DD 2569 Audit Requirement
  - Service Level Metrics
  - Intermediate Command/MAJCOM Level Metrics
  - MTF Level Metrics
- Accuracy
  - Self-Reported Data
  - Centrally Pulled Data
- Relevance – Depends on Your Point of View
  - Does it help to improve the program?
  - Is it for historical information only?

Assessing Your Program

- Analysis
  - Population
  - Location
  - Historical Reality
  - Outside Forces
- Making Changes
  - Ideas You Can Use
- Tracking Your Progress
  - KPIs
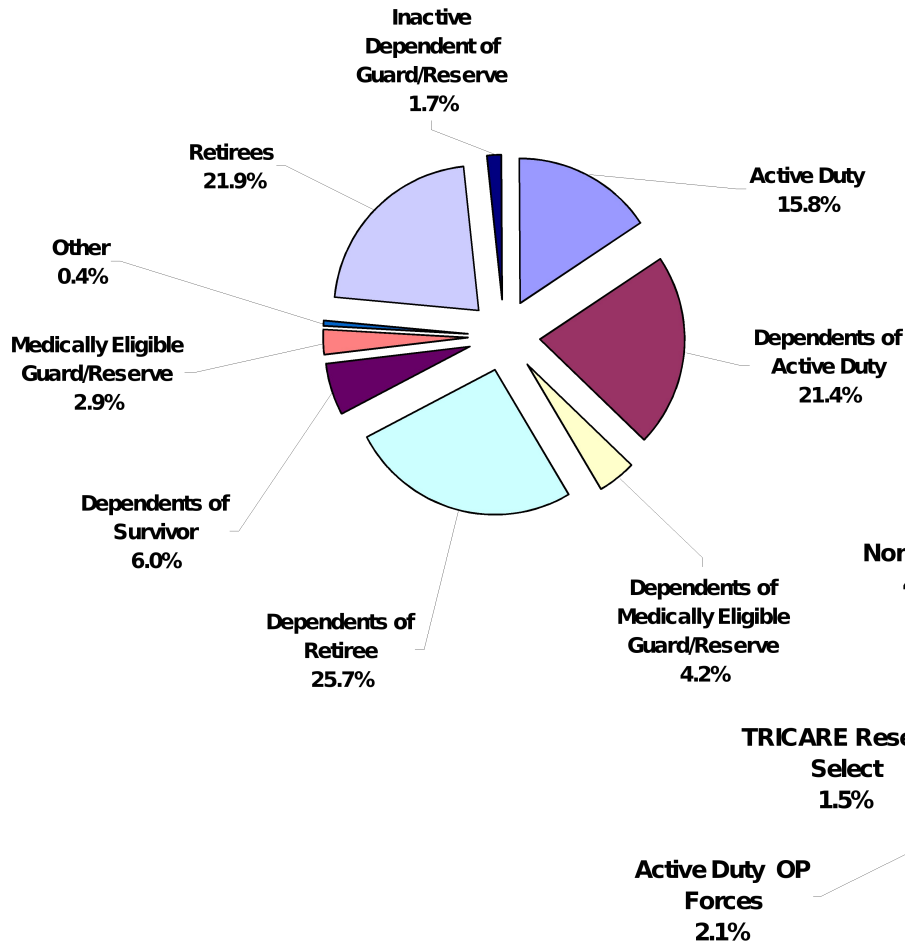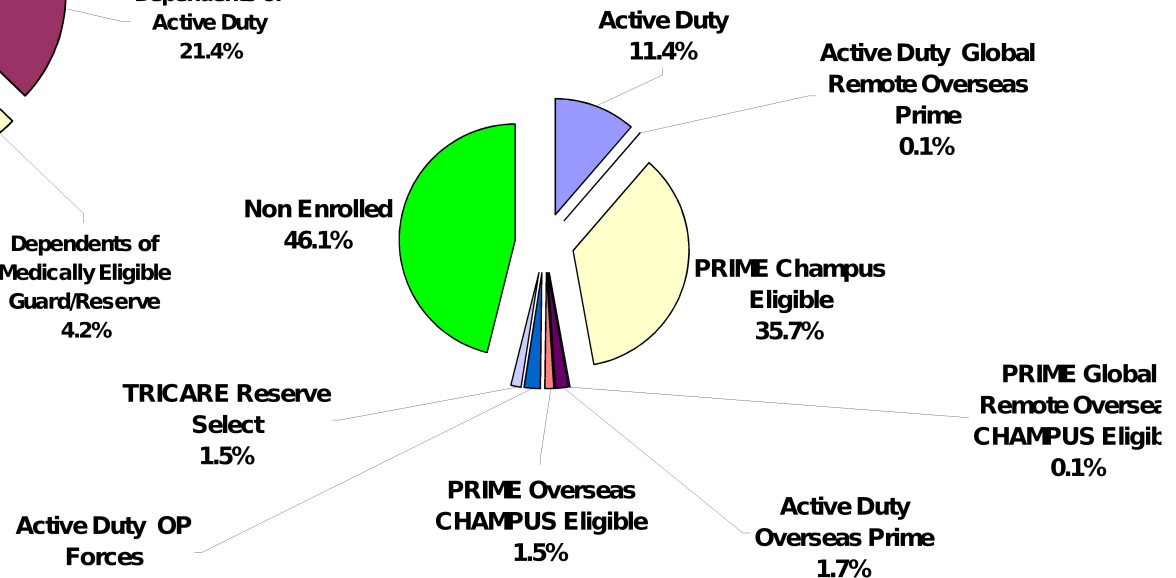 - Are Satisfied With Where You Are?
  - The Next Step

Population

PRISM POPULATION
9.6 Million Beneficiaries

- Inactive Dependent of Guard/Reserve 1.7%
- Active Duty 15.8%
- Retirees 21.9%
- Other 0.4%
- Dependents of Active Duty 21.4%
- Medically Eligible Guard/Reserve 2.9%
- Dependents of Survivor 6.0%
- Dependents of Retiree 25.7%
- Dependents of Medically Eligible Guard/Reserve 4.2%
- TRICARE Reserve Select 1.5%
- Active Duty OP Forces 2.1%

Enrolled POPULATION
5.1 Million Beneficiaries
54% Enrolled

- Active Duty 11.4%
- Active Duty Global Remote Overseas Prime 0.1%
- Non Enrolled 46.1%
- PRIME Champus Eligible 35.7%
- PRIME Global Remote Overseas CHAMPUS Eligible 0.1%
- PRIME Overseas CHAMPUS Eligible 1.5%
- Active Duty Overseas Prime 1.7%

TRICARE OPERATIONS CENTER

TRICARE Relationships Reports

http://mytoc.tma.osd.mil/Enroll/toc/EnrollmentReport.htm

Where Is Your Base Located?

Does It Make A Difference?

Local Economy – Does It Matter?

- What is your unemployment rate?
  - If your beneficiary population can't get a job, the chances they have health insurance is low
  - http://www.bls.gov/web/laumstrk.htm
- What is the uninsured rate in your area?
  - Why?
- Who are your main employers?
  - Do they offer health insurance?
- What is your payer mix?
  - Policy types — Is your area a heavy HMO area?
- Is your location an area that draws retirees?
  - How do you know?

- When did the last recession start? End?
  - When did or will you feel the effect?
- What is the life cycle of an insurance policy?
  - When is an employee eligible to get insurance?
  - What is the cost to the employee (potential OHI)?
  - If the employee loses their job?
    - When does the insurance lapse?
    - What about COBRA plans?
  - Open Season
  - Individual insurance company fiscal years
- Patients speculate about changes to TRICARE benefits

Your MTF Just the Facts

- What services do you have?
  - Outpatient
  - Inpatient
  - Surgery capability
- How easy is it to get an appointment at your MTF?
  - Do you have to be enrolled to get an appointment?
- What is the breakdown of your eligible population?
  - http://mytoc.tma.osd.mil/Enroll/toc/EnrollmentReport.htm
- What is your user population?
  - Which patients only use your pharmacy?
- How have you done historically?
  - What factors do you know will change in the next FY?
- Do you have a marketing plan?
  - Who are you marketing to?

Measuring Your Potential

- How do you KNOW if you are meeting your revenue potential?
- What are the variables you have to work with to improve your program?
  - MTF Service Capability
  - MTF Personality
  - Population
  - Insurance Companies
    - Types of Plans
  - Economic Realities
- Are you making a profit?
  - Cost to run your program vs. collections

- What is it costing you to run your program?
  - Labor Expenses – FTEs
  - Supply Expenses – forms, pens, paper, etc.
  - Overhead Expenses – Your portion
  - Other Expenses – Marketing materials, etc.
- How much revenue is your program bringing in?
  - Inpatient/outpatient gross revenue
- How does your equation look?
  - Are expenses less than revenue?
- What can you do to reduce expenses and increase revenue?
- Who do you compare yourself to?

Pick Peers Carefully

- MTF A
  - Southeast
  - Services: BAL, BCB, BDA, BFD, BFE, BFF, BGA, BHC, BJA, BLA
    - Social Work, Psychiatry
  - NAD Visits – 22,197
  - # of Claims – 7,627
  - Collections – $684K
  - Population – 9,745
    - DA: 3,784
    - DR: 1,545
    - RET: 836

- MTF B
  - Southeast
  - Services: BAL, BCB, BDA, BEA, BFD, BGA, BHC, BJA, BLA
    - Orthopedics
  - NAD Visits – 41,008
  - # of Claims – 39,506
  - Collections – $3.2M
  - Population – 16,454
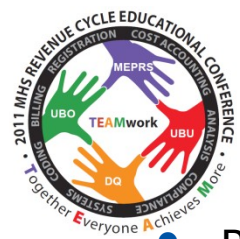   - DA: 3,576
    - DR: 5,482
    - RET: 3,960

- What do you measure?
- How often do you measure?
  - Monthly, quarterly, annually
- Why are you measuring it?
  - Is it a requirement?
- Do you find what you measure important?
  - Does it add value to your program?
- What do you do with the results?
  - What could you do with the results?
- Who do you compare yourself to?
  - Who is comparing themselves to you?

Things You Cannot Control

- Patient's Right to Choose their Coverage
  - Covered/Non-covered services determined by coverage purchased
  - Amounts of co-pay/deductibles vary by policy
  - Greater than 30 day Rx scripts
    - Some companies pay only 30 days
    - Some pay a percentage based on days dispensed
    - Some companies will not pay
    - Some companies pay in full (minus co-pay/deductible)
- Additional Policies – Secondary insurance
  - Medicare Prime patients (65+ and others)
  - Supplemental insurance policy plan provisions
  - Indemnity plans – Pay patient, not facility
- Code of Federal Register (CFR) issues
  - Example: HMOs do not pay except for emergent care on a limited basis
- Over-the-counter (OTCs) line items are not billed
  - Note: OTCs are dispensed at MTF pharmacy locations
- Rate table methodology varies each fiscal year
- Changes to governmental health care requirements
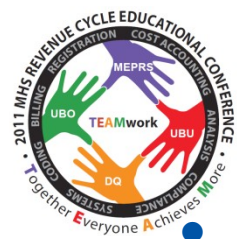
Things You Can Control – Data Quality

- Look at the data quality issues that affect billing
  - Patient files
    - Patient category
    - OHI information
    - Duplicate patients
  - Provider files
    - Naming conventions – duplicates?
    - NPIs
    - Provider Specialty/HIPAA Taxonomy Codes
  - Pharmacy
    - NDC numbers – Are they current?
    - Package size/multiples – Are they set up right?
  - MSA functions
    - Notify roster
  - Accounts Receivable
  - Are all of your clinics set up to feed ETUs?

Bring the Pieces Together

- Non Active Duty population number for your MTF
  - On average, how many times is a patient seen in your MTF?
- How many DD 2569s did you collect last year?
  - Who has a great process?
  - Who needs to improve their process?
  - What can you do to ensure you are getting a form for every non-active duty 'user' of your MTF?
- Of the DD 2569s collected, how many had OHI?
  - Of the OHI, how many were billable OHI?
  - What do you to with the NO OHI Forms – besides file them?
  - What electronic OHI solutions are you using?
- Does an increase in DD 2569 forms collection impact your program?

Bring the Pieces Together

- Which product lines in your MTF are HIGH dollar?
  - What are you doing to ensure you are capturing all of the billable events from that area(s)?
- Medical Coding
  - How accurate is the coding at your MTF?
  - What procedures are in place to improve coding?
  - Are you auditing your claims for coding accuracy prior to billing?
- Managing your Accounts Receivable
  - How often do you follow up on a claim?
  - What is the criteria for you to send the claim to Legal?
  - Develop an aggressive Denials Management Program
  - Allowance for doubtful accounts
    - Being realistic – What can you really expect to collect?

Keeping the Pieces Together

- Research new rate packages to avoid revenue fluctuation surprises
- Be aware of coding changes that are coming in the future – i.e., ICD-10
- When you submit a Help Desk Ticket, stay on top of the MHS Help Desk until your issue is resolved
- Look for opportunities to reduce manual processing
- Monitor Accounts Receivable
  - Run your AR by insurance company
    - Look for trends with insurance companies
      - Aged Days
      - Payer Edits

Process Improvement Ideas

- Isolate the data quality issues facing your MTF
  - Identify two or more factors to work on that would make the greatest impact on revenue at your site
- Monitor DD 2569 collection OHI discovery closely
  - Consider mail-out program
  - Consider electronic OHI discovery
- Increase electronic processing
  - Billing
  - EOB remittance
  - EFT direct deposit from insurance company
- Market the TPC program to your beneficiaries
  - Retiree days, base paper, pamphlets